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To James O'Hara

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Subject in today's clips...

News Headline: Cabot and Dimock families near settlement | 100000

Outlet Full Name: Chicago Tribune - Online

News Text: A high-profile and often bitter lawsuit brought by three dozen Dimock Township families against Cabot Oil and Gas Corp. is nearing a settlement for several residents who allege natural gas drilling contamination harmed their health and property, according to court papers filed in federal court.

The amended motion filed late Monday by attorneys for the residents identifies the settling plaintiffs, but the names have been redacted. The settlement amounts and terms are not disclosed.

The main purpose of the new court filing is to create a fund to distribute settlement money, but the document details some conditions of the otherwise confidential agreement. Cabot submitted the offers in May and June and the settling families were required to sign a broad release "outlining the terms of the settlement and requiring complete confidentiality" about its content, according to the filing.

The sides aim to complete the settlement process for the families that have signed off on it within 60 days, according to the motion. As settlement money is paid to each family, its case will be dismissed.

The motion Monday follows earlier public signals that the two sides were close to an agreement.

In a conference call with investors July 25, Cabot CEO Dan O. Dinges said the company had reached verbal settlement agreements with 32 of 36 Dimock households and was continuing to negotiate with the remaining families.

Dinges said during the call that the value of the settlements "are not a material item with respect to Cabot's financial statements."

Both the families' attorney, Tate J. Kunkle, of the New York-based law firm Napoli Bern Ripka Shkolnik, and Cabot spokesman George Stark declined to comment on Tuesday.

Victoria Switzer, who has been a vocal critic of Cabot's operations in Dimock, made a brief statement for her family.

"We are relieved to put this behind us and hopeful that we will be able to live out our lives in the home we have invested so much of our time and resources in," she said. "I would advise anyone living in a gas field with concerns or disputes involving a gas company to try to work with them."

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Some residents said they plan to push on with the case.

"I'll see you in court," said Ray Kemble, who did not sign the settlement agreement because he said he dislikes terms set by both his attorneys and Cabot's.

The agreement would limit what he can say publicly, he said, adding that of the 40 protest signs he has posted on his property, his attorney told him the only one he would have to take down "is the one big one out there that says, Make Cabot Pay."

Kemble said the settlement would also dissolve portions of a December 2010 settlement reached between Cabot and the state that required the driller to offer 19 families affected by methane contamination twice the assessed value of their homes and a treatment system to remove the gas from their water. Most of the families in the lawsuit did not take the money or the treatment systems.

"That is no longer on the table," said Kemble, who makes daily drinking water deliveries to families who were once provided with bulk and bottled water by Cabot or, more recently, the U.S. Environmental Protection Agency.

The families sued Cabot in November 2009, nearly 11 months after a blast that first drew regulators' attention to flaws in Cabot's wells blew the concrete cover off a water well at the home of Norma Fiorentino, the first named plaintiff in the case.

Although Cabot settled with the state over methane contamination in water wells connected to 19 Dimock homes, it denies it polluted township water supplies with gas or other substances. A six-month water sampling effort by the EPA ended last month with the agency declaring that arsenic, barium or manganese in five water wells could be safely treated and no further action in Dimock was necessary.

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